



October 21, 2005

**BY HAND-DELIVERY**

Mary L. Cottrell, Secretary  
Massachusetts Department of Telecommunications and Energy  
One South Station  
Boston, MA 02110

**Re: Response to First Set of Information Requests  
DTE 03-115 and DTE 04-108**

Dear Secretary Cottrell:

Enclosed for filing on behalf of Fitchburg Gas and Electric Light Company d/b/a Unitil ("Unitil"), please find the Response to the Department of Telecommunications and Energy's ("Department") First Set of Information Requests in the above captioned proceeding. Copies of the Response have been provided as instructed by the Department.

Sincerely,



Gary Epler  
Senior Attorney

Enclosure

cc: Michael Killion, Hearing Officer, MDTE (1 copy)  
Jeff Hall, Rates and Revenue Requirements Division, MDTE (4 copies)  
Alexander Cochis, Assistant Attorney General (2 copies)

Gary Epler  
Senior Attorney

6 Liberty Lane West  
Hampton, NH 03842-1720

Phone: 603-773-6440  
Fax: 603-773-6640  
Email: [epler@unitil.com](mailto:epler@unitil.com)

Commonwealth of Massachusetts  
Department of Telecommunications and Energy  
Fitchburg Gas and Electric Light Company d/b/a Unitil  
Docket No: D.T.E. 03-115/D.T.E. 04-108  
Department's First Set of Document and Information Requests

---

**Request No. DTE 1-1**

Refer to Exhibit FGE-RT-1, Schedule RT-3, at 5. Please provide the annual transition charge over- or under-recovery for each rate class for 2002, 2003, 2004 and 2005. In addition, please provide the cumulative transition charge over- or under-recovery for each rate class for the years 2002 through 2005.

**Response:**

The Company records its over- or under- recovery of transition charge costs and revenues on a Company wide basis. In order to respond to this request, the Company has computed a demonstration of uniform transition charge revenues versus billed transition charge revenues by class. For this purpose, the annual kWh sales are multiplied by the uniform kWh transition charge and compared to the billed transition charge revenues (which are based on pro-rated charges and block kWh charges and demand charges where appropriate). For simplicity, the Company has used billed annual kWh sales as opposed to pro-rated kWh sales in the computation of the uniform transition charge revenues. Please see Attachment DTE 1-1.

**Person Responsible:** Karen M. Asbury

**Date:** October 21, 2005

Fitchburg Gas and Electric Light Company d/b/a Unitil  
Annual Transition Charge over/(under) recovery by class (\$)  
Billed versus Calculated Transition Charge Revenue<sup>1</sup>

	Billed Transition Charge Revenue				
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005<sup>2</sup></u>	<u>Total</u>
RD-1	\$2,712,783	\$1,910,403	\$1,548,308	\$1,158,558	\$7,330,052
RD-2	\$202,910	\$151,091	\$136,309	\$101,090	\$591,399
RD-4	\$1,093	\$0	\$0	\$0	\$1,093
GD-1	\$80,155	\$57,141	\$50,698	\$37,800	\$225,794
GD-2	\$1,816,305	\$1,248,082	\$1,013,090	\$735,743	\$4,813,220
GD-3	\$3,840,436	\$2,521,420	\$2,022,466	\$1,479,818	\$9,864,140
GD-4	\$4,544	\$5,750	\$5,154	\$2,388	\$17,836
GD-5	\$15,475	\$11,332	\$8,042	\$5,182	\$40,031
SD	\$56,105	\$38,111	\$31,153	\$20,742	\$146,110
Standby Contract	<u>\$74</u>	<u>\$3,628</u>	<u>\$1,144</u>	<u>\$1,035</u>	<u>\$5,881</u>
Total	\$8,729,879	\$5,946,957	\$4,816,363	\$3,542,357	\$ 23,035,556

	Calculated Uniform kWh Transition Charge Revenue				
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005<sup>2</sup></u>	<u>Total</u>
RD-1	\$2,713,681	\$1,872,730	\$1,534,324	\$1,167,551	\$7,288,285
RD-2	\$202,788	\$148,224	\$134,622	\$101,645	\$587,279
RD-4	\$957	\$0	\$0	\$0	\$957
GD-1	\$80,500	\$56,496	\$50,697	\$38,214	\$225,906
GD-2	\$1,898,159	\$1,278,239	\$1,065,981	\$786,096	\$5,028,475
GD-3	\$3,758,077	\$2,596,027	\$2,279,702	\$1,608,486	\$10,242,292
GD-4	\$7,444	\$4,652	\$4,642	\$2,869	\$19,607
GD-5	\$15,467	\$10,910	\$7,882	\$5,224	\$39,482
SD	\$56,021	\$37,557	\$31,340	\$20,883	\$145,801
Standby Contract	<u>\$2,730</u>	<u>\$2,847</u>	<u>\$1,750</u>	<u>\$975</u>	<u>\$8,302</u>
Total	\$8,735,826	\$6,007,680	\$5,110,938	\$3,731,943	\$ 23,586,387

	Billed minus Calculated Transition Charge Revenue					% Billed
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005<sup>2</sup></u>	<u>Total</u>	<u>Revenue</u>
RD-1	-\$898	\$37,673	\$13,985	-\$8,993	\$41,766	0.6%
RD-2	\$121	\$2,867	\$1,687	-\$555	\$4,120	0.7%
RD-4	\$136	\$0	\$0	\$0	\$136	12.4%
GD-1	-\$346	\$646	\$1	-\$414	-\$112	0.0%
GD-2	-\$81,854	-\$30,157	-\$52,891	-\$50,353	-\$215,256	-4.5%
GD-3	\$82,360	-\$74,607	-\$257,236	-\$128,668	-\$378,152	-3.8%
GD-4	-\$2,900	\$1,098	\$512	-\$481	-\$1,771	-9.9%
GD-5	\$8	\$422	\$160	-\$42	\$548	1.4%
SD	\$84	\$554	-\$187	-\$142	\$309	0.2%
Standby Contract	<u>-\$2,656</u>	<u>\$781</u>	<u>-\$606</u>	<u>\$60</u>	<u>-\$2,421</u>	<u>-41.2%</u>
Total	-\$5,946	-\$60,724	-\$294,575	-\$189,587	-\$550,831	-2.4%

<sup>1</sup> Calculated revenue based on annual kWh sales and uniform kWh transition charge for simplification.

<sup>2</sup> YTD August 2005

Commonwealth of Massachusetts  
Department of Telecommunications and Energy  
Fitchburg Gas and Electric Light Company d/b/a Unitil  
Docket No: D.T.E. 03-115/D.T.E. 04-108  
Department's First Set of Document and Information Requests

---

**Request No. DTE 1-2**

Refer to the Company's response to DTE 1-1. Has any rate class amassed a significant transition charge under-recovery since 2002? If so, should the Company implement a class-specific transition charge to rectify this inequity between rate classes? Please explain your answer.

**Response:**

As shown in Attachment DTE 1-1, no rate class has amassed a significant under-recovery since 2002. On a percentage basis, those classes where the difference exceeds 5 percent do not represent significant dollar amounts. For the GD-2 and GD-3 classes, although the dollar amounts are considerable, on a percentage basis they are not significant. Therefore the Company does not believe it should implement a class-specific transition charge.

Furthermore, in DTE 02-84A Order at 11, the Department found that "the Company has calculated its uniform transition charge in compliance with its restructuring plan and subsequent modifications ordered by the Department. Accordingly, Fitchburg's uniform transition charge is approved."

The Company notes that since the statutory rate cap has been eliminated, in future reconciliation filings, billing determinants utilizing more recent trends in customer load factors may now be utilized to design rates and this should more closely align the demand billed customer classes to the uniform ¢/kWh transition charge.

**Person Responsible:** Karen M. Asbury

**Date:** October 21, 2005